

**RESOLUTION NO. 1464**

**A RESOLUTION ADOPTING UPDATES TO  
THE DISTRICT'S CAPITALIZATION POLICY**

WHEREAS, the Board of Commissioners of Public Utility District No. 2 of Pacific County, Washington adopted the current Capitalization Policy under Resolution No. 1403 on April 17, 2018; and

WHEREAS, the District operates under the Governmental Accounting Standards Board principles; and

WHEREAS, GASB has adopted a new standard as it relates to leased capital assets which is an intangible asset, as defined by GASB87, which is the right to use another entity's nonfinancial asset (the underlying asset) as specified in a contract for a period of time in an exchange or exchange-like transaction; and

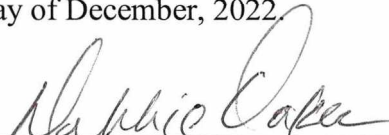
WHEREAS, the District Auditor and Financial Manager have updated the policy and determined thresholds to maintain in order to meet GASB, state, and federal standards for accounting; and

WHEREAS, the District will evaluate the capitalization dollar threshold schedule for the various types of assets owned by the District at a minimum of every two years; and

THEREFORE BE IT HEREBY RESOLVED by the Board of Commissioners of Public Utility District No. 2 of Pacific County, Washington, that the updated Capitalization Policy (attached hereto and by this reference made a part hereof) be adopted and effective immediately.

BE IT FURTHER RESOLVED that all previous resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed.

APPROVED AND ADOPTED by the Board of Commissioners of Public Utility District No. 2 of Pacific County, Washington, this 6<sup>th</sup> day of December, 2022.

  
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President

A T T E S T:

  
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Vice President

  
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Secretary